II.   REMARKS

The Examiner is requested to reconsider the application in view of the foregoing amendment and the following remarks. It is believed that the amendment adds no new matter, and the amendment is intended to place the application in condition for allowance, and more particularly, an interference.

In the Office Action, at page 2, the Examiner has graciously acknowledged examination of the pending claims.

In response, Applicant appreciates the examination.

In the Office Action, at page 2, the Examiner has also contended that "Examiner believes that the instant application does not adequately support the claim limitations" and that the prior applications "definitely do not provide adequate support...."

In response, Applicant does not understand the distinction that the Examiner is making between the patent applications because the support identified in the Request for an Interference is identically found in the earlier patent applications.

In the Office Action, at page 2, the Examiner has reminded Appellant of the word limit for an abstract.

In response, the Abstract has been amended.

In the Office Action, at pages 2-3, the Examiner has also objected to the specification for reasons set forth.

In response, the Specification has been amended. Replacement pages for the Specification are being filed herewith.

In the Office Action, at page 3, the Examiner has objected to the claims for reasons set forth.

In response, the claims have been amended to overcome the objections.

In the Office Action, all claims have been rejectedpursuant to 35 U.S.C. Section

112. In particular, with regard to claim 1, the Examiner contends that "the instant application does not disclose an electronic bidder process for selling fixed income instruments." Applicant respectively traverses the Examiner's assertion, but the foregoing Amendment has removed the "bidder" language.

The Examiner additionally contends that, "The instant application does not disclose inputting data associated with at least one price the buyer is willing to pay for at least one fixed income instrument into a buyer's computer via input means." The Examiner further contends that parts of the Specification cited by the Applicant in the Request for Interference "teach computing a price that it is expected that buyers will be willing to pay, based on prevailing interest rates, etc., in a financial analysis computer system...."

Applicant respectively traverses the Examiner's contentions but appreciates the Examiner's remarks which called the Applicant's attention to a typographical error in claim 1, corrected in the Amendment above. More particularly, Applicant has replaced the phrase "a price the buyer is willing to pay" in claim 1 with "a price a buyer is willing to pay." The Examiner has already acknowledged in essence that the amended language is supported by the Specification, i.e., that the Specification discloses "a price buyers will be willing to pay" (Office Action at page 4, lines 13-14). Accordingly, Applicant believes that the amended claim eliminates the basis for the Examiner's rejection and brings the claim into closer alignment with the corresponding claim of Harrington.

The Examiner also contends in the Office Action at page 4, line 15, that the Specification does not disclose "inputting the price a particular buyer is willing to pay, or even data associated therewith, into a buyer's computer [page 55, lines 10-18; Figure 6].)"

Applicant respectively traverses the Examiner's contention but this issue is moot in view of the revision of claim 1, which eliminates the limitation to a particular buyer. However, Applicant observes that the Examiner's contention is in apparent conflict with the subsequent

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contention in the Office Action at line 23 that, "the data is financial analysis output data sent to at least one buyer's computer." As pointed out below, the Specimens in the Specification show that the financial output data include "said price." Accordingly, the specification does disclose "inputting the price a particular buyer is willing to pay into at least one buyer's computer," although this limitation no longer appears in the instant claim.

The Examiner also contends that, "The instant application does not disclose presenting said price by outputting at least some of said inputted data from said buyer's computer over said multiple computer system. (The Applicant refers to page 34, lines 8-10...in support of this limitation, but while the language of the specification at those points refers to presenting data, the data is not "said price," nor from the buyer's computer; instead, the data is financial analysis output data sent to at least one buyer's computer.)" Respectively, Applicant responds that page 34, lines 8-10 refer to Screens 2-4 of Specimen 2 for examples of data included in Financial Analysis Output, and that Screen 3 of Specimen 2 includes said price. (The Examiner can also refer to Screen 2 of Specimen 1.)

The Examiner further objects at page 4, line 17, "in fact, the calculated data is outputted to at least one buyer's computer [page 55, lines 10-18; Figure 6]." See also the Examiner's contention in the Office Action at page 4, line 22, "...nor from the buyer's computer." Applicant responds that Figure 6 shows clearly that the calculated data is outputted to a system of computers including a buyer's computer, rather than solely to a single computer as the Examiner contends. Thus, the Examiner's contention is respectfully traversed.

The Examiner rejects claims 3-13 and 18 solely for the reason that they depend on claim 1. Because claim 1, as amended, has not been shown unpatentable, the Examiner's contentions to claims 3-13 and 18 are traversed.

The Examiner asserts several rationales for rejecting claim 2 that are identical to rationales asserted in rejecting claim 1. Accordingly, Applicant incorporates the response to the

claim 1 rejection into the response to the claim 2 rejection.

Two Examiner contentions with regard to claim 2 warrant additional comment. First, the Examiner contends at page 5, line 11, that: "The instant application does not disclose, at one of multiple buyers' computers, inputting data associated with a price one of the multiple buyers is willing to pay for fixed income instruments into via respective input means." As noted in the discussion of claim 1, the Examiner contradicts this contention with the assertion at page 4, line 23, that, "the data is financial analysis output data sent to at least one buyer's computer." As pointed out above, the Specimens show that the financial output data include "said price." Accordingly, the specification does disclose "inputting the price a particular buyer is willing to pay into a buyer's computer."

Second, the Examiner contends in the Office Action at page 5, line 20, that, "The instant application does not disclose presenting said price by outputting said yield/discount rate over said multiple computer system to said other computer." Applicant responds that Figure 6 shows outputting financial analysis output including said price to other computers in the multiple computer system. The other computers include a seller computer system, which is an embodiment of the "said other computer" in the instant claim. Thus, the Examiner's contention is respectively traversed.

With regard to the Examiner's contention at page 6, line 15, regarding an insufficient antecedent basis for the transmitting step, this has been corrected in the foregoing amendment.

The Examiner rejects claims 14-17 and 19-27 for the reason that they depend on claim 2. Because claim 2 has not been shown unpatentable, these contentions to claims 14-17 and 19-27 are respectfully traversed.

At pages 7-15, the claims have all been rejected pursuant to 35 U.S.C. Sec. 103. The Examiner contends that the claims are obvious based on Harrington in view of Official

Notice.

In response, Harrington has not been shown to be prior art. Harrington has a 1997 priority date, which is about half a decade later than Applicant's priority date. Indeed, as shown on the face of Harrington, the PTO considered Applicant's U.S. Patent No. 5,802,501 as prior art to Harrington, and the instant application claims priority from the application that became the '501 patent. The PTO is reminded that the present case claims priority back to 1992, and the language and items in figures used to support the Request for Interference can be found in all the applications cited for priority in the instant case.

Further, the PTO has the burden to show prior art renders any claim unpatentable pursuant to 35 U.S.C. Sec. 103. Therefore, if the rejection is maintained, Applicant hereby requires a reference for each reliance upon Official Notice, at least so that Applicant can determine whether there is a proper reason to combine and modify any art predating Applicant's priority date.

In the Office Action, at page 15, the Examiner's conclusion appears to contend that the patents from which priority is claimed are "prior art." Applicant responds that patents from which priority is claimed are not prior art.
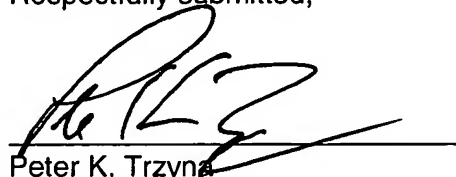
III.   <u>Conclusion</u>

This Amendment and Response is believed to respond to and/or satisfy all rejections or objections in the Office Action. Thus, the application, as amended, is believed to be in condition for allowance, more so for declaration of an Interference, and favorable action is requested.

If the prosecution of this case can be advanced in any way by a telephone discussion, the Examiner is requested to call the undersigned at (312) 240-0824.

Respectfully submitted,

Date: May 1, 2003

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is legally closest to the property and working successively towards the entity that is legally closest to the investor.

In the case of real estate, the purchase price of the estate for years component alone, or a material interest therein, will almost never be large enough to cover the sale price of the property and

5   the cost of component separation. This implies that a market-based valuation and sale of the remainder component, or a material interest therein, is an essential factor in the implementation of component separation. In the case of tangible personal property, the purchase price of the estate for years component also will almost never be large enough to cover the sale price of the property and the cost of component separation, except in those cases wherein the property can reasonably be expected to

10   reach the end of its useful economic life during the estate for years term.

B.   Tax-exempt Finance

Separating property into at least two components along a time dimension (e.g., into an estate for years and a remainder interest) can also be used to enhance the investment value of tax-exempt securities such as tax-exempt general obligation bonds, tax-exempt industrial revenue bonds,

15   and tax-exempt leases. This separation can be applied either to individual securities or to pools of tax-exempt securities. Value enhancement can be achieved in two ways: (1) cash flow streams from the components can appeal to investors who would not be interested in the entire cash flow stream of the original asset, and (2) the combined tax shelter benefits that accompany the components can be greater than the tax shelter benefits associated with the original asset. Both effects are significant,

20   though in some situations, the tax effect will be the more dramatic of the two.

Unlike the example of taxable leased property discussed above, for the tax-exempt property example, both components can be viewed as fixed-income securities. One would expect that these fixed-income securities would be valued by investors in the marketplace by comparison with other fixed-income securities.

25   For tax-exempt securities, to effect a successful change in cash flow benefits from splitting the property or asset into components, one can proceed indirectly in separating the asset into components. Rather than directly separating ownership of the tax-exempt security itself, it is better to

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- Description of Tenant(s) -

Business

Financial Assessments

- Financial Analysis Based Upon Various Assumptions and Inputs

5   - Presentation of Risk Characteristics

In this description, the term "securities law" can refer to United States federal securities law alone or to

all applicable United States federal, state and territorial securities law.

A portion of the Financial Analysis Output 24 is presented in Screens 2-4 of Specimen 2,

which is a simplification over the use of a dedicated program to generate the Financial Analysis Output

10   24 after all of the Input Data 18 has been entered.

Turning now to FIG. 4, the input and computational logic of a preferred embodiment of

Logic Means 30 is detailed. The logic of Input Date A 70 receives entry of the date on which a

separated purchase transaction is to take place, and Input Date B 72 receives entry of the expiration

date for the estate for years. The transaction date and the estate for years expiration date should be

15   entered as numbers, i.e., the number of the month, the number of the day, so that the length of the

period between the two dates can be easily computed in Compute Estate For Years Term 74. Block 74

computes the number of whole and fractional months in the estate for years term, both as an output and

for use elsewhere in the logic in computing discounted presented values and the schedules of annual

and quarterly depreciation and amortization deductions, as discussed subsequently.

20   Usually, the end of the estate for years term will be on the last day of a calendar month,

and the transaction date will be on the first or last day of a calendar month. Thus Block 72 stores the

number of days in any fractional calendar month at the beginning or end of the term, if any, separately

from, and in addition to, the length of the term (i.e., Block 72 keeps the number of days in beginning and

end fractional calendar months separate from each other). By subtracting the separated purchase date

25   from the expiration date of the estate for years, the Logic Means 30 can be used to compute the length

of the estate for years term (e.g., "10 years", "9 years 8 months", or "9 years 10 months 11 days").

The Logic Means 30 also includes Input Treasury Bond Yield Rates 76 and Input Rental

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